

## Message Text

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ACTION AF-08

INFO OCT-01 ISO-00 EB-07 COME-00 TRSE-00 L-03 CIAE-00

INR-07 NSAE-00 OPIC-03 INT-05 /034 W

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R 161356Z SEP 76

FM AMEMBASSY NAIROBI

TO SECSTATE WASHDC 2573

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E.O. 11652: N/A

TAGS: EINV, KE

SUBJECT: SAUL CLAIM

REF: STATE 226702

1. SAUL'S LAWYER (ARONSON) MET SEPT. 15 WITH PERSEC  
OMINO, MINISTRY NATURAL RESOURCES, TO DISCUSS SAUL'S  
PROPOSAL FOR JOINT VENTURE. OMINO MADE FOLLOWING POINTS:

A) THOUGH GOK MIGHT AFREE TO SAUL'S EXPORTING 24 TONS  
UNSORTED MINERAL ORE, GOK WOULD REQUIRE MORE THAN \$50,000  
SAUL HAD OFFERED TO COVER EXPENSES AND TAXES. OMINO  
SAID MINIMUM OF \$200,000 WOULD BE REQUIRED, SINCE  
IT WOULD TAKE THAT AMOUNT TO COVER TAXES BASED ON \$400,000  
VALUATION WHICH SAUL'S VALUATION REPORT ASSIGEND. ARONSON  
PRIVATELY CONSIDERED GOK POSITION "NOT UNREASONABLE."

B) IF MINE IS REOPENED AS JOINT VENTURE, GOK WOULD ASSUME  
NO FURTHER RESPONSIBILITY ONCE INITIAL \$280,000 DOWNPAY-  
MENT MADE. IN OTHER WORDS, BALANCE OF COMPENSATION  
(FOR TOTAL OF \$1.8 MILLION) WOULD HAVE TO SOME FROM MINE.  
ARONSON DOES NOT LIKE THIS PROVISION BUT DOUBTS GOK  
WILL DROP IT. HE SAID IT MIGHT BE ACCEPTABLE IF MILLER  
WERE ALLOWED TO VISIT SITE FIRST TO VERIFY WHAT IS THERE.  
ARONSON NO LONGER THINKS SAUL WILL BE PERMITTED TO MAKE  
INSPECTION, BECAUSE OMINO SAID SAUL WOULD BE ALLOWED

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BACK ONLY IF SOMEONE PERSONALLY APPROACHED KENYATTA FOR

DECISION, WHICH NO ONE IN GOK THINKS WOULD BE A GOOD IDEA.

2. ARONSON BELIEVES GOK CANNOT INCREASE DOWNPAYMENT BECAUSE IT DOES NOT HAVE MONEY. FURTHER, HE BELIEVES THAT IF SAUL WERE TO PRESS FOR GREATER DOWNPAYMENT, ALL THAT HAS BEEN ACHIEVED TO DATE COULD BE JEPORDIZED. ATTORNEY GENERAL NJONJO CONTINUES TO WANT A SETTLEMENT. PERMSEC KARIITHI OF PRESIDENT'S OFFICE ALSO REMAINS DISPOSED TOWARD SETTLEMENT, THOUGH HE IS DOING NOTHING ACTIVE TO PROMOTE IT.

3. ARONSON DEPARTS KENYA SEPT. 17 FOR PARIS WHERE HE MEETS SAUL SEPT. 18. HE SEEMS CONCERNED THAT SAUL, ON BASIS MODEST PROGRESS TO DATE, MAY BE FALSELY ENCOURAGED TO PRESS TOO FAR.

DECON 9/17/78.

MARSHALL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GEMS, CLAIMS, MINING INDUSTRY, JOINT VENTURES, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 SEP 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** BoyleJA  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976NAIROB10073  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
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**Film Number:** D760350-0844  
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**Office:** ACTION AF  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SAUL CLAIM  
**TAGS:** EINV, KE, (SAUL)  
**To:** STATE  
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